

**AMENDMENTS TO THE SPECIFICATION:**

*Please amend the paragraph beginning at page 29, line 19, as follows:*

Specifically, a phase difference compensator is provided between one of the pair of polarizers and one of the substrates and between the other polarizer and the other substrate so that the slow axis of the phase difference compensator is perpendicular to the absorption axis of the polarizer closer to the phase difference compensator, with the retardation of the liquid crystal layer **30** being 340 nm, for example. Then, the contrast ratio is measured for various viewing angle directions (azimuth angle directions) of 0°, 45°, 90° and 135° at a polar angle of 40°, while changing the in-plane retardation,  $Re(=df \cdot (n_x - n_y))$ , of the phase difference compensator in the range of 0 to 50 nm and the normal direction retardation,  $Rth(=df \cdot (n_x - n_z))$ , in the range of 0 to 150 nm, thus obtaining the results shown in FIG. **5** and FIG. **6**. Herein,  $df$  is the thickness of the phase difference compensator,  $n_x$  and  $n_y$  are the principal refractive indices in the plane, and  $n_z$  is the principal refractive index in the plane normal direction, wherein  $n_x > n_y > n_z$ .